TITLE 4. CALIFORNIA GAMBLING CONTROL COMMISSION

NOTICE OF PROPOSED RULEMAKING

"Emergency Preparedness Plans for Cardrooms"

The California Gambling Control Commission ("Commission") proposes to adopt the regulations described below after considering all comments, objections, or recommendations regarding the proposed action.

PROPOSED REGULATORY ACTION: The Commission proposes to adopt sections 12370 and 12371 of Title 4 of the California Code of Regulations, concerning emergency preparedness plans for cardrooms. These regulations were adopted on an emergency basis in June 2003. The current rulemaking action would make these changes permanent.

PUBLIC HEARING

The Commission will hold a public hearing starting at 11 a.m. on Wednesday, June 9, 2004, at 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-4231. The room is wheelchair accessible. At the hearing, any person may present statements or arguments orally or in writing relevant to the proposed action described in the Informative Digest.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Commission at any time during the 45-day public comment period. To be considered for summary and response, all written comments must be received no later than 5:00 p.m., Wednesday, June 9, 2004 (the day of the public hearing).

Written comments for the Commission's consideration should be directed to:

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, California Gambling Control Commission, 2399 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833-4231; Telephone: 916-263-0490, E-mail: hbolz@cgcc.ca.gov, FAX 916-263-0452.

AUTHORITY AND REFERENCE

Authority for the proposed regulations is provided by various provisions of the Gambling Control Act, which may be found in Business and Professions ("B & P") Code sections 19800--19980. In particular, B &P Code sections 19811, 19823, 19824, 19840, and 19920.

The reference citations are as follows: the proposed regulations implement, interpret, or make specific B & P Code sections 19801 and 19920.

INFORMATIVE DIGEST AND POLICY STATEMENT OVERVIEW

Existing state law (the Gambling Control Act) grants to the Commission jurisdiction and supervision over all cardrooms ("gambling establishments") in California and over all persons and things having to do with the operation of cardrooms. The Commission is directed, among other things, to assure that cardrooms are operated in a manner that protects public health, safety, and welfare. Cardrooms are required to maintain "security controls" over gambling premises and operations, controls which are subject to approval by the Commission. Cal-OSHA requires that all employers have evacuation plans covering employees.

The proposed regulation requires cardrooms to develop and implement emergency preparedness and evacuation plans that cover not only employees, but also patrons. These plans must (1) address specified threats (such as fires) and (2) contain specified elements. The smallest cardrooms are permitted to submit simpler plans. These plans must be consistent with other applicable law. The regulation also sets a deadline for submission of plans by cardrooms to the Commission; requires cardroom employees to be trained concerning their duties under the plan; and provides for sanctions in the event a cardroom fails to submit a plan or fails to correct identified deficiencies.

DISCLOSURES REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: These regulations do not impose a mandate on local agencies or school districts.

Cost or savings to any state agency: None.

Cost to any local agency or school district that must be reimbursed in accordance with Government Code section 17561: None

Other non-discretionary cost or savings imposed upon local agencies: None

Cost or savings in federal funding to the state: None

Cost impact on representative private person or business: Some cardrooms already have emergency plans. If these plans comply with the regulation, no costs would be incurred. Cardrooms lacking plans would need to spend time preparing a plan. However, the Commission is not aware of specific expenditures that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Impact on Business: The Commission has made an initial determination that the proposed regulatory changes will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

Significant effect on housing costs: The Commission has made an initial determination that the proposed regulatory action would not affect housing costs.

Effect on small business: The Commission has made an initial determination that the effect these regulations will have on small business will be minor.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5(a)(13), the Commission must determine that no reasonable alternative considered by the Commission or that has otherwise been identified and brought to the attention of the Commission would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

ASSESSMENT REGARDING CREATION OR ELIMINATION OF JOBS IN CALIFORNIA

The Commission has made an assessment and determined that the adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

CONTACT PERSONS

Inquiries concerning the substance of the proposed action should be directed to:

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, California Gambling Control Commission, 2399 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833-4231; Telephone: 916-263-0490, E-mail: hbolz@cgcc.ca.gov, FAX 916-263-0452.

Requests for a copy of the proposed text of the regulation, the initial statement of reasons, the modified text of the regulation, if any, or other technical information upon which the rulemaking is based should be directed to:

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, California Gambling Control Commission, 2399 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833-4231; Telephone: 916-263-0490, E-mail: hbolz@cgcc.ca.gov, FAX 916-263-0452.

Or:

Susie Hernandez, Regulations Analyst, Telephone: (916) 274-0688, FAX number: (916) 263-0499, e-mail shernandez@cgcc.ca.gov.

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Regulations Coordinator will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at the office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the

regulation, and the <u>Initial</u> Statement of Reasons. A copy may be obtained by contacting the Regulations Coordinator at the address or telephone number listed above or accessing the Commission's website at http://www.cgcc.ca.gov. Upon its completion, the <u>Final</u> Statement of Reasons will be available and copies may be requested from the Regulations Coordinator or viewed on the website.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

Following the public hearing, the Commission may adopt the proposed regulation substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the modified text, with changes clearly indicated, will be made available to the public for at least 15 days prior to the date on which the Commission adopts the regulation. Requests for copies of any modified regulation should be sent to the attention of the Regulations Coordinator at the address indicated above. The Commission will accept written comments on the modified regulation for 15 days after the date on which it is made available.